

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

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ESTHER LOWINGER,

Plaintiff,

ECF Case

v.

Civil Action No. 07-10524 (AKH)

PZENA INVESTMENT MANAGEMENT, INC.,
and RICHARD C. PZENA,

Defendants.

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JERE C. WHITE, individually and on behalf of
all other persons similarly situated,

Plaintiff,

Civil Action No. 08-00406 (AKH)

v.

PZENA INVESTMENT MANAGEMENT, INC.,
and RICHARD C. PZENA,

Defendants.

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DECLARATION OF JEFFREY S. ABRAHAM

Jeffrey S. Abraham, pursuant to 28 U.S.C. § 1746, declares as follows:

1. I am a partner in the law firm Abraham, Fruchter & Twersky, LLP, counsel for Esther Lowinger in this action and a member of the Bar of this Court. I am submitting this declaration in support of Esther Lowinger's Motion to: (i) Consolidate All Related Cases Pursuant to Fed. R. Civ. P. 42(a); (ii) Appoint Lead Plaintiff; and (iii) Appoint Abraham, Fruchter & Twersky, LLP as Lead Counsel.

2. Attached as Exhibit 1, is a true and correct copy of the notice announcing the commencement of a class action lawsuit against Pzena Investment Management, Inc. and Richard Pzena disseminated by my firm over Business Wire on November 21, 2007.

3. Attached as Exhibit 2, is the firm resume of Abraham, Fruchter & Twersky, LLP.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: January 22, 2008



Jeffrey S. Abraham

EXHIBIT 1

4 of 5 DOCUMENTS

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Business Wire

November 21, 2007 Wednesday 9:13 PM GMT

DISTRIBUTION: Business Editors; Legal Writers

LENGTH: 420 words

HEADLINE: Abraham, Fruchter & Twersky, LLP Files Class Lawsuit against Pzena Asset Management, Inc.

DATELINE: NEW YORK

BODY:

Abraham, Fruchter & Twersky, LLP commenced a class action lawsuit in the United States District Court for the Southern District of New York (Case No. 07-10524) on behalf of a class (the "Class") of all persons who purchased or acquired securities of Pzena Asset Management, Inc. ("Pzena" or the "Company") (NYSE: PZN) in the Company's initial public offering ("IPO") which commenced on October 24, 2007. The claims asserted arise under Section 11 of the Securities Act of 1933, 15 U.S.C. §77k, and have been asserted against Pzena and Richard C. Pzena, the Company's Chief Executive Officer.

The complaint alleges that Defendants made materially misleading statements and otherwise failed to disclose a pattern of net redemptions in the largest mutual fund advised by Pzena, which existed at the time of the IPO. The subsequent disclosure of these facts three weeks later resulted in the price of the Company's common stock declining, causing Plaintiff and the other members of the Class to suffer damages.

If you purchased or otherwise acquired Pzena common stock you may, no later than January 22, 2008 request that the Court appoint you as lead plaintiff. A lead plaintiff is a representative party that acts on behalf of other class members in directing the litigation. In order to be appointed lead plaintiff, you must meet certain legal requirements, including the Court's determination that the class member's claim is typical of the claims of other class members, and that the class member will adequately represent the class. Under certain circumstances, one or more class members may together serve as "lead plaintiffs."

The attorneys at Abraham, Fruchter & Twersky, LLP have extensive experience in securities class action cases, and the firm is ranked among the top class action law firms in terms of recoveries achieved by the most recent survey of class action law firms conducted by Institutional Shareholder Services. If you would like to discuss this action or if you have any questions concerning this Notice or your rights as a potential class member or lead plaintiff, you may contact: Jeffrey Abraham, Esq. or Larry Levit, Esq. of Abraham, Fruchter & Twersky, LLP, One Penn Plaza, Suite 2805, New York, New York 10119, by telephone at (212) 279-5050, by facsimile at (212) 279-3655, or by e-mail at jabraham@aftlaw.com or llevit@aftlaw.com

CONTACT: Abraham, Fruchter & Twersky, LLP
Jeffrey Abraham, Esq., 212-279-5050
jabraham@aftlaw.com
OR
Larry Levit, Esq., 212-279-5050
Facsimile: 212-279-3655
llevit@aftlaw.com

Abraham, Fruchter & Twersky, LLP Files Class Lawsuit against Pzena Asset Management, Inc. Business Wire
November 21, 2007 Wednesday 9:13 PM GMT

URL: <http://www.businesswire.com>

LOAD-DATE: November 22, 2007

EXHIBIT 2

Firm Resume

ABRAHAM, FRUCHTER & TWERSKY, LLP

Abraham, Fruchter & Twersky, LLP (“AF&T” or the “Firm”) is a law firm specializing in securities and shareholder litigation and has been actively involved in the successful prosecution of such cases throughout the United States. In the 2006 survey of class action law firms conducted by Institutional Shareholder Services, AF&T was ranked number 23 by the total dollar amount of securities class action settlements.

The actions in which AF&T and its lawyers have served as lead counsel or as a member of an executive committee of plaintiffs’ counsel include:

- *Levy v. Southbrook International Investments, Ltd., et al.*, 99 CV 1479 (JSM) (S.D.N.Y.), in which settlements totaling \$20 million, the largest known cash recovery at the time for claims arising under Section 16(b) of the Securities and Exchange Act of 1934 (“Section 16(b)”) since the statute was first enacted in 1934, were approved by Judge John S. Martin, Jr. In approving the settlement, Judge Martin, noted that “the shareholders of Illinois Semiconductor Company received a \$20,000,000.00 benefit as the sole result of the diligence and sagacity of Plaintiff’s counsel.” *Id.* 2001 U.S. Dist. LEXIS 7097 at *20 (S.D.N.Y. May 31, 2001);

- *In re Peregrine Systems, Inc. Securities Litigation*, No. 02-CV-0870-BEN (RBB) (S.D. Cal) is an ongoing action for violations of the federal securities laws. Abraham Fruchter was appointed as co-lead counsel for a class alleging violations of Section 11 of the Securities Act of 1933. In November 2006, the court approved a partial settlement of the action, in which a recovery of approximately \$58 million was obtained;

- *Levy v. Office Depot, Inc.*, 01-8259-CIV (S.D. Fla.), was a Section 16(b) action settled for \$9.4 million in cash following plaintiff's successful appeal to the United States District Court of Appeals for the Eleventh Circuit of the District Court's dismissal of the action on summary judgment and the subsequent remand of the action to the District Court for trial;

- *Lawrence v. Gould, et al.*, CV-S-99-969 JBR (RLH) (D. Nev.), was a class action brought pursuant to Section 12 of the Securities Act of 1933 and the Nevada Deceptive Business Practices Act for the alleged operation of a pyramid scheme. The case settled two weeks into trial for proceeds, based upon the estimated liquidation value of defendants' assets, of approximately \$30 million;

- *In re CFSBDirect Tracking Stock Shareholder Litigation*, C.A. No. 18307 (Del. Ch.), was a class action for breach of fiduciary duties which achieved a \$36.4 million or 50% increase in the price offered by a controlling shareholder in a tender offer;

- *In re Bank of New York Corporate Derivative Litigation*, Index No. 99/604465 (Sup Ct. N.Y. County), was a shareholder derivative action brought on behalf of the Bank of New York with respect to damage allegedly caused to the company by the failure to implement proper procedures to safeguard against unlawful money laundering, which was settled for \$26.5 million in cash and substantial remedial measures designed to strengthen the Bank of New York's internal controls and corporate governance procedures and prevent a future occurrence of similar wrongful activities;

- *Rosenberg v. Delta Air Lines, Inc.*, C.A. No. 00-461-JJF (D. Del.), was an action brought against Delta Air Lines on behalf of Priceline.com for violating the insider trading provisions of Section 16(b) and was settled for changes in contractual terms governing various

business relationships valued at more than \$38 million;

- *In re Ugly Duckling Corp. Shareholders' Derivative and Class Litigation*, C.A. No. 18746 (Del. Ch.), was a consolidated shareholder derivative and class action which settled for a \$9 million increase in the price of a proposed tender offer made by a controlling shareholder;

- *In re: Dreyfus Aggressive Growth Mutual Fund Litigation*, 98 CV 4318 (HB) (S.D.N.Y.), was a class action brought on behalf of purchasers of two mutual funds for damages arising from misleading statements made in the offering prospectuses, which settled for \$18.5 million in cash;

- *City Partnership Co. v. Jones Intercable, Inc.*, 99-WM-1051 (D. Colo.), was a derivative action brought on behalf of a series of limited partnerships with respect to the sale of cable television systems by those partnerships to their general partner Jones Intercable, Inc., at prices alleged to have been unfairly low, that was settled for \$10.5 million;

- *In re Global Crossing Ltd. Securities Litigation*, Case No. 02 Civ. 910 (GEL) (S.D.N.Y.), in which the Firm acted as co-lead counsel for a sub-class consisting of all purchasers of Asia Global Crossing securities and achieved recoveries totaling more than \$20,000,000 for the Asia Global investors representing a substantial premium to the recovery achieved by ordinary Global Crossing investors; and

- *Levy, derivatively on behalf of Marketing Services Group, Inc. v. General Electric Capital Corp.*, 99 Civ. 10560 (AKH) (S.D.N.Y.), was an action arising under Section 16(b) which was settled for \$1,250,000, or more than 45% of recoverable damages.

Many of the actions the Firm litigates involve issues of first impression. On December

19, 2002, the United States Court of Appeals for the Third Circuit resolved certain issues of first impression relating to the scope and interpretation of Rule 16b-3 and Rule 16b-7 of the Securities Exchange Act of 1934 [17 C.F.R. §§240.16b-3 and 240.16b-7] promulgated by the Securities and Exchange Commission (“SEC”) consistent with the position advocated by the Firm. *Levy v. Sterling Holding Company*, 314 F.3d 106 (3rd Cir. 2002). The decision is especially noteworthy because on April 30, 2003, the Third Circuit denied defendants’ petition for rehearing *en banc* by a 7-3 vote despite the fact that the SEC joined defendants as an *amicus* in their petition for rehearing.

In another action arising under Section 16(b), on August 7, 2000, the United States Court of Appeals for the Second Circuit, held that for purposes of Section 16(b), a person can be the beneficial owner of an issuer’s stock owned by another publicly traded corporation. This decision in *Feder v. Frost*, 220 F.3d 29 (2d Cir. 2000), effectively overruled more than ten years of controlling case law previously articulated by the Second Circuit in *Mayer v. Chesapeake Insurance Co.*, 877 F.2d 1154 (2d Cir. 1989).

Similarly, on November 15, 1999, the New York State’s Second Appellate Department, in an issue of first impression, held that New York Real Property Law §274a prohibits mortgagors from charging mortgagees (*i.e.*, consumers) a fax fee in connection with providing mortgage related documents and that mortgagees have an implied private right of action to recover any such fees paid. The decision was “Decision of the Day” in the November 19, 1999, edition of *The New York Law Journal* and is reported as *Negrin v. Norwest Mortgage, Inc.*, 163 A.D.2d 39, 700 N.Y.S.2d 184 (2d Dep’t 1999).

Jeffrey S. Abraham is a 1987 graduate of the Columbia University School of Law and is

admitted to practice in the Courts of the State of New York as well as the United States District Courts for the Southern District of New York, the Eastern District of New York and the District of Colorado; and the United States Court of Appeals for the Second, Third, Fourth, Seventh, Ninth, Tenth and Eleventh Circuits.

Jack G. Fruchter is a 1992 *cum laude* graduate of the Benjamin N. Cardozo School of Law and was admitted to bar of New York State in 1993, New York and is admitted to practice in the U.S. District Courts, Southern and Eastern District of New York and the Court of Appeals for the Third Circuit. Prior to establishing his own practice, Mr. Fruchter was employed in the enforcement division of the U.S. Securities and Exchange Commission.

Mitchell M.Z. Twersky is a 1991 graduate of the Georgetown University School of Law. Mr. Twersky was admitted to the bar of New York State in 1992 and is also admitted to practice before the U.S. District Courts for the Southern and Eastern Districts of New York, the Courts of Appeals for the Second, Third, Seventh and Eleventh Circuits, and the Supreme Court of the United States of America.

Lawrence D. Levit is a 1985 graduate of Brooklyn Law School where he was the Second Circuit Editor for the Law Review. Prior to joining Abraham & Associates, Mr. Levit was a partner at Wolf Popper LLP, a mid-size law firm specializing in securities and class action litigation. Mr. Levit is a member of the New York and New Jersey bars and is admitted to practice before the United States District Courts for the Southern District of New York, the Eastern District of New York and the District of Colorado; and the United States Court of Appeals for the Second and Fourth Circuits.

Gilaad Deutsch is a graduate of the University of Toronto Faculty of Law (J.D.) and the Yeshiva University Syms School of Business (B.S. Accounting). He has worked extensively in the field of shareholder and securities litigation since 2000. He has been admitted to practice law in the province of Ontario, State of New York, and the United States District Courts for the Southern and Eastern Districts of New York. He is also a Certified Public Accountant (CPA) and Chartered Financial Analyst Charterholder (CFA). Mr. Deutsch recently supervised a team of attorneys responsible for discovery pertaining to one of the largest named defendants in the *In re Initial Public Offering Case* and was responsible for the analysis of trading records.

Ximena Skovron is a 2003 graduate of the University of Miami School of Law where she served as Editor in Chief of the International and Comparative Law Review. Ms. Skovron is admitted to practice in the State of New York and the United States District Court for the Southern District of New York.

Arthur J. Chen is a 2005 graduate of Albany Law School, during which he served as Student Editor of the New York State Bar Association Business Law Journal for two years. Mr. Chen is admitted to practice in the State of New York and the United States District Court for the Southern District of New York.

Philip T. Taylor is a 2006 graduate of New England School of Law and 2003 graduate of Concordia University's John Molson School of Business (B.Comm. Finance *with distinction*). Mr. Taylor is admitted to practice in the State of New York and the United States District Court for the Southern District of New York.